

NBP 087/2

316

SUMMARY RECORD OF THE INTERDEPARTMENTAL COMMITTEE ON DEFENCE SALES TO IRAN AND IRAQ: 11 AUGUST 1988

Attendance

T M J Simmons	MED	FCO
A J H Cowell	MED	FCO
J Duncan	Defence Dept	FCO
A W H Barrett	DESS	MOD
J F Hextall	DESS	MOD
A M Morris	MOD DCTS Row 1	MOD
R J R Allen	ARMD 2a	MOD
G Johnson	DESO RMD2a	MOD
J I Gallaher	OT4/1B	DTI
H Lyons	OT2/ELB	DTI

Recent Political Developments

1. The FCO updated the IDC on the latest developments in the ceasefire process. The naming of a date for a ceasefire was a major step forward but it was difficult to predict the pace of progress. One factor which could affect developments was the UN team's findings in their report about the situation of POWs in both countries. The team had apparently been horrified by what they had seen. The Secretary-General would have to handle this carefully.

Export Licence Applications

2. ELAs were recommended for approval or refusal according to the attached list. The following items should be noted:

(i) Iran - N7 Hovercraft Propellor (pA1)

In line with current policy on exports to the Iranian Navy, the MOD recommended that this equipment should be refused. The FCO and DTI pointed out that hovercraft had in the past only been used for logistical support; that this was Iranian property; and that Westland had a potentially very large market for this type of equipment in Iran. MOD (DCTS) suggested that this was an example of a licence that could be considered again once a ceasefire was in place and if the threat had decreased.

(ii) Iran - 3 Reactors (pA1)

MOD recommended that this equipment should remain pending while further details were collated. These were research reactors, and were probably for chemical rather than nuclear use. They could be used for the production of toxic chemicals. The IDC noted that the Germans had already refused a licence for the export of this equipment. The IDC agreed that it was likely that this application would be refused, but recommended that a decision should be deferred,

pending further information.

(ii) Iraq - Double Barrelled Shotguns (pA2)

The MOD recommended refusal in line with the embargo on the sale of all lethal equipment to either belligerent. The IDC agreed that although this equipment did not represent an enhancement of Iraq's capability, according to the strict letter of the guidelines, they had no alternative but to agree with MOD's recommendation. However, members of the IDC agreed to refer a final decision to Ministers.

Arms Working Party Applications

4. AWP's were recommended for approval or refusal according to the attached list. The following item should be noted:

(i) Iraq - Chieftain Armoured Vehicle Launch Bridge (pB2)

The MOD recommended that this application be approved on the grounds that this was conversion and refurbishment only, and would take place in Jordan and the UK. The vehicles would not be returned to Iraq - they were a gift from Iraq to Jordan. Such a contract would be a major boost to Vickers aims in Jordan. The IDC therefore agreed with the MOD's recommendation.

Pending Export Licence Applications

5. Pending ELAs were recommended for approval or refusal according to the attached list. The following item should be noted:

(i) Iraq - Matrix Churchill Lathes (pC6)

MOD had recommended that this application be refused on the grounds that we now had sufficient evidence to suggest that this equipment would be used in the production of shell cases. The FCO and DTI suggested that a refusal at this stage was too severe. There was evidence that this equipment might also be used for general civil industrial purposes, and with the prospect of a ceasefire, this had become more likely. In addition, the lead time on this project was sufficiently long to allay anxieties about shell production. The IDC agreed to recommend that a decision should be deferred.

Chieftain Armoured Recovery Vehicle

6. MOD (ARMDs) asked the IDC for their views on the question of spares for the Chieftain armoured recovery vehicle for Iraq. Iraq has asked Jordan to front for them.

We have not yet received an application, but this is expected in the near future. (The UK supplied Jordan with 29 ARVs in August 1981, under the Jordan MOU, with two years' supply of spares).

7. When the conflict started, Ministers agreed that exports of Chieftain Main Battle Tank spares for Iran should be considered in four categories:-

- a. fire power
- b. hull
- c. automotive and
- d. miscellaneous

*re: chieftain
spares from
Iran]*

The IDC recommended the supply of all except category a., but Ministers decided that only categories c and d could be released. In 1985 and 1986 export licences were granted to IMS and Langtons respectively for ARV spares for Iraq, but Ministers agreed to categories c and d only. Neither of these licences was used however, so as far as we know no spares have been supplied from the UK other than the original consignment. The MOD Working Group and the IDC considered the proposal put to the MOD. They were prepared to recommend approval in principle to the supply of category c and d spares, but they would need to see a complete list of spares proposed before recommending final approval. They were concerned that the spares might be used to repair Chieftain MBTs. It was suggested that if the ARVs were to be repaired in Jordan this would allay the IDC's and Ministers' fears. Such an arrangement might make it easier to recommend to Ministers that category b (hull) spares be supplied. It would also provide work in Jordan, and help with offset and our general relations with Jordan. The IDC therefore recommended that we agree in principle to the supply of category c and d spares direct to Iraq and categories b, c and d if the vehicles are repaired in Jordan.

A J H Cowell
Middle East Department